

Message Text

UNCLASSIFIED

PAGE 01 SANA 01694 300735Z

17

ACTION NEA-10

INFO OCT-01 ISO-00 AID-05 CIAE-00 COME-00 EB-07 FRB-01

INR-07 NSAE-00 USIA-15 TRSE-00 XMB-04 OPIC-06 SP-02

CIEP-02 LAB-04 SIL-01 OMB-01 L-03 /069 W

----- 121840

R 300620Z JUN 75

FM AMEMBASSY SANA

TO SECSTATE WASHDC 5845

UNCLAS SANA 1694

E.O. 11652: N/A

TAGS: BTIO, MASS, YE

SUBJECT: TIRE RETREAD FACILITY

FOR NEA/ARP: PLEASE PASS TO LODI

1. ON 29 JUNE, FOLLOWING REVIEW OF SALES AGREEMENT PREPARED BY LODI, YAR COFS INFORMED EMBOFF THAT HE COULD NOT ACCEPT TWO POINTS AS THEY NOW STAND IN THE CONTRACT:

A. HE INSISTS ON A 24 MONTH GUARANTEE PERIOD VICE THE 12 MONTH PERIOD OFFERED IN LODI CONTRACT.

B. HE INSISTS THAT STAND-BY LETTER OF CREDIT BE DRAWN ON A BANK, PREFERABLY A NON-US BANK, WITH BRANCHES IN THE MIDDLE EAST.

2. COFS'S RATIONAL FOR ABOVE BASED ON CLAIMED UNIVERSAL AGREEMENT OF COMPETING COMPANIES TO GIVE 24 MONTH GUARANTEE PERIOD ON EQUIPMENT AND FEELING OF ISOLATION AND INABILITY TO TAKE ANY RECOURSE IF AGREEMENT WERE TO NUG SOUR AND IT BECAME NECESSARY TO CALL LETTER OF CREDIT. EMBOFF'S ATTEMPTS TO COUNTER THESE POINTS WITH EXAMPLES OF WORLDWIDE US PRACTICES WERE MET WITH ATTITUDE THAT "BECAUSE LODI' PRICES ARE HIGHER THAN THEIR COMPETITION THEY SHOULD BE WILLING TO GIVE ON THESE TWO POINTS."

UNCLASSIFIED

UNCLASSIFIED

PAGE 02 SANA 01694 300735Z

3. IF LODI CAN ACCEPT THESE TWO CHANGES, OR SUGGEST

ACCEPTABLE ALTERNATIVES WE ARE READY TO PASS THEIR
COMMENTS TO COFS HERE ASAP.

4. FOR NEA/ARP: THROUGHOUT THE NEGOTIATIONS FOR THIS
RETREAD FACILITY THERE HAS BEEN EVIDENT AN ATTITUDE
ON THE PART OF THE YEMENIS NOT UNLIKE THAT OF THE
ONCE BURNED COUNTRY BOY WHO IS DETERMINED NOT TO GET
TAKEN AGAIN BY THE CITY SLICKER. REPEATED REFERENCES ARE
MADE TO THE JEEP DEAL WHENEVER THE RETREAD FACILITY
IS DISCUSSED. COFS FEELS THAT HE WAS LEAD DOWN THE
PRIMROSE PATH WITH PROMISES OF A TWO MONTH AVAILABILITY
DATE. HE REFERRED TO THAT EXPERIENCE WHEN THE LODI

COMPANY REP WAS IN SANA AND HE CONTINUES TO DRAW, OR RATHER,
TRIES TO AVOID PARALLELS TO THAT EXPERIENCE.
SCOTES

UNCLASSIFIED

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: TIRES, INDUSTRIAL PLANTS
Control Number: n/a
Copy: SINGLE
Draft Date: 30 JUN 1975
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Authority: n/a
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 JAN 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1975SANA01694
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D750225-0771
From: SANA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1975/newtext/t1975063/aaaaacio.tel
Line Count: 78
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION NEA
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: greeneet
Review Comment: n/a
Review Content Flags:
Review Date: 14 FEB 2003
Review Event:
Review Exemptions: n/a
Review History: RELEASED <14 FEB 2003 by PhilliR0>; APPROVED <12 MAR 2004 by greeneet>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
06 JUL 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: TIRE RETREAD FACILITY FOR NEA/ARP: PLEASE PASS TO LODI
TAGS: BTIO, MASS, YE
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 06 JUL 2006